

# **What Employers and W-2 Job Experts Think About Retention and Advancement Barriers and Services**

## **Final Report**

By

Larry G. Martin, Ph.D.  
Department of Administrative Leadership  
University of Wisconsin-Milwaukee  
P.O. Box 413  
Milwaukee, WI 53201  
Tele: (414) 229-5754

-and-

Mary Alfred, Ph.D.  
Department of Administrative Leadership  
University of Wisconsin-Milwaukee  
P.O. Box 413  
Tele.: (414) 229-5495  
Milwaukee, WI 53201

January 2002

This research report was prepared at the University of Wisconsin-Milwaukee for the Wisconsin Department of Workforce Development. The views expressed in this report are those of the authors and do not necessarily represent official positions of the DWD or the University of Wisconsin-Milwaukee. All errors, factual or otherwise, are attributable to the authors and not the sponsors nor the University of Wisconsin-Milwaukee.

## **Acknowledgments**

The research project and this report were greatly facilitated and improved via the insights and editorial feedback of numerous people. First, we thank the Wisconsin Department of Workforce Development for providing us the opportunity to conduct a timely study on an important topic of mutual interest, and for their support throughout this project. Second, we thank the W-2 agency staff and employers who gave of their time and insights so that we might all learn from their experiences. Third, we also thank Heidi Hammes, Jan Van Vleck, Paul Saeman, Mary Rowin, and other DWD staff for their insight into the development of the survey instruments and their critical reading of numerous drafts of the manuscript.

# **What Employers and W-2 Experts Think About Retention and Advancement Barriers and Services**

## **Executive Summary**

Wisconsin is widely acknowledged as one of the first states to grapple with the issue of post-welfare reform. Key issues are the retention and advancement that affect the work life of welfare participants who no longer receive cash assistance.

### **Study Scope**

This study investigates the expert views of W-2 staff who provide retention and advancement services around the state and of employers who hire significant numbers of Low Income Workers With Family Responsibilities (LIWWFRs). W-2 staff assessed W-2 agency retention and advancement services and employers assessed their own and W-2 agency services for LIWWFRs. These services are broadly grouped as Support Services, Educational and Learning Programs, Employer Intervention, and Counseling Services. W-2 agencies and employers provide these as strategic initiatives to counter-balance the barriers faced by W-2 participants and LIWWFRs.

### **Research Design**

Selected W-2 agencies, grouped by size, identified their staff who were experts in providing case management services for retaining and advancing unsubsidized employed W-2 participants in their jobs. Structured interviews with 69 staff offer a statewide perspective of W-2 agency services, but do not represent the views of all W-2 staff due to the predominant number of W-2 staff being in Milwaukee County. The typical W-2 staff person interviewed was a white female with extensive case management experience, less than a BS degree, and who worked primarily in central Wisconsin. These surveys were fielded from November 2000 to March 2001.

Selected employers throughout the state were identified by the W-2 agencies as experts in hiring and working with LIWWFRs and in working with the W-2 agencies. Structured interviews with 41 of these employers offer a statewide perspective of this population, their services, and the W-2 agencies services they use. As such they do not represent all employers in the state. The typical employer interviewed was in a manufacturing or a service industry, had between 100 and 249 workers (26 to 50 of these were LIWWFRs), is near a transit stop, operates from multiple sites, hired between 11 and 100 employees during the past twelve months, and had about ten vacancies. These surveys were fielded from November 2000 to March 2001.

## **Conclusions and Findings**

The bolded headings below summarize the conclusions and recommendations of the researchers. The findings under the bolded headings summarize the results of the survey of W-2 staff and employers except as noted. Certain capitalized words are defined in the body of the report and words in quotes represent specific ratings from the W-2 staff or employer interviews.

### **Job retention is a widespread problem for W-2 Participants and LIWWFRs.**

- The majority of the 69 W-2 agency staff interviewed said that half or more of their W-2 participants had been separated from employment in the last year. Nearly two-thirds of them said that half or more of their participants were terminated for cause.
- Fewer than forty percent of the 41 employers interviewed said they retained more than half of their LIWWFRs after two years. Employers estimated that fifteen percent of those LIWWFRs leaving these firms were terminated for cause.

### **W-2 agencies offer an impressive array of services to address both Widespread and Targeted job retention and advancement barriers.**

- W-2 staff say the W-2 agencies address Widespread barriers through seven “quite” or “very effective” Standard Services. The barriers are problems with child care and transportation, lack of motivation, poor interpersonal skills, poor written English and math skills, substance abuse, and learning disabilities. The services are child care, transportation assistance, Medicaid, job placement, food stamps, soft skills training and job counseling during employment. They also offer “somewhat effective” job loans and emergency assistance services.
- W-2 staff say their agencies address Targeted barriers through six “quite or “very effective” Majority Services. The barriers are housing instability, care for others with disabilities, being victims of crime, poor verbal English, immigrant status, domestic abuse, being charged with criminal behavior, and mental and physical disabilities. The services are employment skills training, educational programs, financial assistance for post-secondary education (FAPSE), mentoring, and counseling before employment. They also offer “somewhat effective” mental health counseling and substance abuse services.
- W-2 agencies also address these barriers with Experimental Services. The four “somewhat effective” services are retention rewards, training completion bonuses, family planning, and crisis hotlines.

### **The services W-2 agencies offer address the barriers that employers said LIWWFRs had.**

- When compared to other workers, employers said that LIWWFRs were “a little more likely” to have certain barriers. These were problems with child care and transportation, poor written and verbal English and math skills, being absent/tardy, or having an illness.

**Employer services to LIWWFRs focus primarily on employment skills and issues.**

- Many of the jobs employing LIWWFRs require low academic skills.
- Nine out of ten employers offered employment skills training and about three-fourths offered post-secondary assistance.
- Six out of ten employers offered substance abuse counseling.
- Two to three out of ten employers offered mentoring and the basic skills of math, reading, writing and English.

**Employers are willing to consider offering more services with assistance.**

- Employers said they are most willing to consider providing training and educational opportunities to meet the skill requirements for advancement.
  - Almost seven out of ten would consider more employment skills training.
  - About four out of ten would consider remedial basic skills training.
- Employers said they are somewhat willing to offer services that address absent/tardy barriers.
  - About four out of ten would consider a child care subsidy.
  - About one-third would consider transportation assistance.
  - About one-fifth would consider on-site child care. (Rated “very effective” by those few who offered it.)

**W-2 services to employers could be more effective.**

- Employers rated most Employer Intervention Services as “somewhat effective.” These are assistance with placement needs, needs assessment, mentoring, upward mobility, worksite training and employer-oriented training and outreach and marketing.
- Employers said worksite mentoring was “quite effective.”
- Employers were not asked to rate the W-2 agency Experimental Service of subsidized employer workshops.

**The collaborative relationships between W-2 agencies and employers should be expanded to address the Widespread and Targeted barriers affecting LIWWFRs. The researchers recommend:**

- Arranging a variety of context-based workplace literacy programs and other continuing education programs to address W-2 participants and LIWWFRs’ literacy skill difficulties. These could be done via cooperative arrangements with individual employers, literacy and continuing education program providers, and W-2 agencies.
- Expanding worksite mentoring programs.
- Seek funding for “on-site child care” and “child care subsidy” to increase the numbers of employers offering these services.
- Expand W-2 agencies’ efforts to assist employers with basic skills training and other incentives to hire and train LIWWFRs.

**Further research on retention and advancement would be beneficial.** The researchers recommend:

- Study the high level of W-2 participants' terminations to determine if there are new services or service changes that could reduce them.
- Analyze Secondary Services to determine why they are considered only "somewhat effective."
- Review why W-2 staff believe W-2 agency employer placement assistance is more effective than employers think it is.
- Develop methods to use the DWD CARES automated system to track systematically the effectiveness of W-2 services for an extended period.